This bill specifies that any water system that exclusively serves a charitable or benevolent organization will be exempt from all rules relating to well construction except those applying to a multifamily well unless the well or pump installation for the well is determined to present a threat to groundwater or public health. A water system cannot be exempt if it regularly serves an average of 100 or more people for at least 60 days of the year or if it serves a school or day care facility.

If a system has three or more violations of the total coliform maximum contaminant level in a 12-month period or one acute violation of the maximum contaminant level, the system's owner must provide an alternative source of water, eliminate the source of contamination, or provide treatment that reliably achieves at least 99.99% treatment of viruses.

An exempt organization cannot be required to replace, change, upgrade, or alter an existing well constructed prior to August 28, 2011, unless the well is determined to be a threat to groundwater or public health or contains certain contaminant levels.